

James M. Fischer Larry W. Dority

#### Attorneys at Law Regulatory & Governmental Consultants

101 Madison, Suite 400 Jefferson City, MO 65101 Telephone: (573) 636-6758 Fax: (573) 636-0383

May 1, 2006

Colleen M. Dale Secretary/Chief Regulatory Law Judge Missouri Public Service Commission 200 Madison Street, Suite 100 P.O. Box 360 Jefferson City, Missouri 65102

RE: In the Matter of the Application of Encartele, Inc. for a Certificate of Service Authority to Provide Intrastate, Interexchange Telecommunications Services within the State of Missouri, Case No.; Tariff Tracking No.

Dear Ms. Dale:

Enclosed for filing in the above-referenced matter is the original of the Application of Encartele, Inc. in the above-referenced matter. Simultaneously, the Applicant is also filing its proposed tariff. The Tariff has a 45-day effective date. A copy of the attached Application and Tariffs has been emailed, hand-delivered or mailed this date to each party of record.

Thank you for your attention to this matter.

Sincerely,

James M. Fischer

James M. Film

Enclosures

cc:

Office of the Public Counsel

General Counsel

# BEFORE THE PUBLIC SERVICE COMMISSION STATE OF MISSOURI

In the matter of the Application of	)			
Encartele, Inc. for a	)			
Certificate of Service Authority to Provide	)	Case No.		
Competitive Intrastate Interexchange	) .			
Telecommunications Services including	)			
Operator Services within the State of Missouri	)			

#### APPLICATION

COMES NOW Encartele, Inc. ("Encartele") and submits its Application respectfully requesting the Missouri Public Service Commission ("Commission") to issue Applicant a Certificate of Service Authority to provide competitive intrastate interexchange telecommunication services including operator services between and among locations within the State of Missouri pursuant to Section 392.440, RSMo (2000) <sup>1</sup>, an order classifying Applicant as a competitive telecommunications carrier, and an order waiving or suspending certain Commission rules and statutory provisions pursuant to Section 392.440, and an order waiving or suspending certain Commission rules and statutory provisions pursuant to Section 392.420. In support of its request, Applicant provides the following information:

1. Encartele, Inc. was incorporated on September 30, 2004, under the laws of the State of Nebraska. The legal name and principal office or place of business of the applicant are:

Encartele, Inc.

9850 Nicholas Street, Suite 150

Omaha, NE 68114

Phone:

402-342-0945

Fax:

402-342-1001

Toll-Free:

888-231-3393

All-citations-to-statutory-sections-are-to-the-2000-Revised-Statutes-of Missouri, as currently supplemented, unless otherwise indicated.

Applicant is qualified to transact business in the State of Missouri and holds a certificate of authority as a foreign corporation to transact business in the State of Missouri, which is attached hereto as Exhibit I and incorporated herein by reference.

Copies of correspondence, communications and orders and decisions of the Commission are to be sent to the following:

Mr. Donald D. Peeler 9850 Nicholas Street, Suite 150 Omaha, NE 68114

Phone:

402-391-2945

Fax:

402-933-4710

Email:

dpeeler@cox.net

and

Robin Norton, Consultant Technologies Management, Inc. 210 North Park Avenue

Winter Park, Florida 32789

Phone:

407-740-8575

Fax:

407-740-0613

Email:

rnorton@tminc.com

and to Applicant's in-state counsel:

Mr. James Fischer Fischer & Dority, P.C. 101 Madison Street, Suite 400 Jefferson City, MO 65101

Phone:

573-636-6758

Fax:

573-636-0383

Email:

ifischerpc@aol.com

2. The name and address of Applicant's registered agent in the State of Missouri is:

Business Filings International, Inc. 120 South Central Avenue Suite 400 Clayton, MO 63105 1-800-345-3637 3. Encartele, Inc. ("Encartele" or "Company"), with this petition, proposes to provide automated collect calling services to inmates of confinement institutions throughout the State of Missouri. All services will be offered twenty-four (24) hours per day, seven (7) days a week. Detailed information regarding these services along with proposed rates and charges are provided in the Company's tariff included as an attachment to this petition.

Encartele will provide correctional and confinement institutions with sophisticated premises equipment that permits inmates to make outgoing, collect-only calls without the assistance of a live operator. Encartele's systems provide a number of controls and restrictions that serve to reduce or eliminate fraudulent use of telephone systems. These restrictions also provide the correctional institution with increased control over the use of the telecommunications services by inmates confined within. Encartele's telephone instruments are placed in detention areas such as cell blocks or day rooms. Each instrument is connected to a central control unit which restricts and controls calls placed by inmates. Encartele's system and services allow inmates to remain in contact with family, friends and other associates while still providing facility administrators with the necessary control over inmate communications.

Automated collect-only calls may be placed by inmates within the confinement facility. These calls are routed over the facilities of the local exchange carrier serving the confinement facility and Encartele's underlying carrier. Encartele's system is designed so that calls are completed only to those called parties who specifically accept the charges for a call. Equipment utilized by Encartele requires a positive response from the called party before the connection is established and billing can begin.

In addition to call processing, Encartele's systems offer restrictive call blocking and screening. These features provide the correctional facility with the maximum degree of control over telecommunications services and help to minimize fraud. Call blocking prevents calls to directory assistance, "0-", 800 numbers, pay-per-call services, and emergency numbers (including 911) in order to reduce prank calls and fraudulent use of long distance services. Access to other interexchange carriers is also denied. Call screening serves to eliminate harassing or threatening calls to individuals such as judges, sheriffs, witnesses or jury members. These two features also allow the institution to enforce telephone curfews (without manual intervention) by pre-setting the hours during which the system will process calls from a given telephone instrument.

Encartele's system collects and stores call detail information for each call. These call records are

retrieved by Encartele and are either billed through the called party's local exchange carrier under

billing and collection agreements maintained by Encartele, or submitted for billing to the called party's

local exchange carrier through Encartele's billing agent.

For billing inquiries, customers are initially directed to Encartele's billing agent whose toll-free

number is printed on each customer bill. The billing agent is authorized to investigate complaints and

adjust customer bills within certain parameters set by Encartele. Should an inquiry exceed the

authority delegated to Encartele, the customer is referred to Encartele's in-house Customer Service

Department for further assistance.

Encartele intends to resell the services of authorized carriers. Encartele does not propose to own

switching equipment or transmission facilities.

4. Encartele, Inc. ("Encartele" or "Company"), with this application, proposes to provide automated

collect calling services to inmates of confinement institutions throughout the State of Missouri. All

services will be offered twenty-four (24) hours per day, seven (7) days a week originating and

terminating throughout the State of Missouri.

5. Encartele possesses managerial and technical expertise to provide resale interexchange and operator

telecommunications services through out the State of Missouri.

**6.** Encartele possesses the financial ability to provide the requested services.

7. Encartele requests classification as a competitive telecommunications company operating within the

State of Missouri. Encartele further requests classification of services described in their tariff as

competitive services.

- 8. Applicant will offer automated operator-assisted calling services to inmates in confinement institutions within the State of Missouri. Applicant proposes to conduct its operator services pursuant to 4 CSR 240-33.130 and Section 392.515, except as such do not apply to inmate calling services. Specifically:
  - \* All calls are branded before call charges are incurred.
  - \* Rates, billing method and complaint resolution procedures are disclosed upon request. This service is available at no charge, 24 hours per day.
  - \* Traffic aggregators are obligated by contract and tariff to provide access to alternative operator service providers.
  - \* Where the local exchange carrier has the capability of identifying multiple carriers, Applicant is identified on the end user bill.
  - \* No location surcharges are collected by Applicant for intrastate Missouri calls.

Applicant uses reliable answer detection techniques and Applicant will not knowingly bill for incomplete calls. If for any reason a caller believes he or she has been charged for an uncompleted call, Applicant will issue credit for the charges under all reasonable circumstances.

9. Applicant respectfully requests, pursuant to Section 392.420, that the Commission suspend, waive or modify the application of the following rules and statutory provisions as they relate to the regulation of the applicant:

Section 392.210.2	Uniform System of Accounts
Section 392.240(1)	Just & Reasonable Rates
Section 392.270	Ascertain Property Values
Section 392.280	Depreciation Accounts
Section 392.290	Issuance of Securities
Section 392.300.2	Acquisition of Stock
Section 392.310	Issuance of stock and debt
Section 392.320	Stock dividend payment
Section 392.330	Issuance of securities, debts & notes
Section 392.340	Reorganizations
4 CSR 240-10.020	Depreciation fund income
4 CSR 240-30.040	Uniform system of accounts

The above referenced rules and statutory provisions have been waived with regard to other interexchange carriers in prior cases. These rules or statutory provisions are principally designed to apply to noncompetitive telecommunications carriers. It would be inconsistent with the goal and purpose of Section 392.530 to apply them to a competitive telecommunications carrier such as the Applicant.

- 10. Encartele's tariff contains the rules and regulations applicable to its customers, a description of the services offered, and a list of rates associated with such services.
- 11. Applicant will not unjustly discriminate among its customers, which discrimination is prohibited pursuant to Section 392.200.
- 12. Applicant has no pending actions or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or rates, which action, judgment, or decision has occurred within three (3) years of the date of this Application.
- 13. Applicant has no annual reports or regulatory assessment fees that are overdue in Missouri.
- 14. Applicant submits that the public interest will be served by Commission approval of this Application because Applicant's proposed services will create and enhance competition and expand service options. Certification of Encartele will increase the level of long distance and operator service competition within the state. Empirical evidence has shown that as the level of competition increases in a market, consumers benefit from both reduced prices and improved service quality. In addition, competition provides consumers with a wider selection of products and services from which to choose. Prompt approval of this Application also will expand the availability of innovative, high quality and reliable telecommunications services within the State of Missouri. Customers will benefit by having alternatives from which to choose and from general improvements in price, features and options that are generated by competitive market pressures."

WHEREFORE, Encartele, Inc., respectfully requests the Commission to grant it a certificate of service authority to offer competitive intrastate interexchange telecommunication services including operator services within the state of Missouri; an order classifying it as a competitive telecommunications company providing competitive service; an order suspending, waiving or modifying the above referenced rules and statutory provisions as they relate to the regulation of the Applicant in the state of Missouri, and for such further orders as the Commission deems appropriate.

Respectfully submitted,

James M. Fischer

MBN 27543

Fischer & Dority, P.C.

101 Madison Street, Suite 400 Jefferson City, Missouri 65101

Phone

*57*3-636-6758

Fax:

573-636-0383

Email:

jfischerpc@aol.com

ATTORNEY FOR APPLICANT

# CERTIFICATE OF SERVICE

I hereby certif	y that a tru	e and correct copy of	the foregoing do	cument was hand	l- delivered	or mailed,
postage prepaid, this	155	day of April, 2006,	to:			
		MAG. ZOOG				

Office of the Public Counsel 200 Madison Street, Suite 650 P.O. Box 7800- 2230 Jefferson City, MO 65102 Dana K. Joyce, General Counsel Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102

James M. Fischer

# **VERIFICATION**

I, Nancy H. Clausen, first being duly sworn upon oath depose and say I am the Secretary of Encartele, Inc., a Nebraska Corporation, that I have read the above and foregoing application by me subscribed and know the contents thereof, that said contents are true in substance and in fact, except as to those matters stated upon information and belief, and as to those, I believe same to be true.

Nancy H. Clausen, Secretary of Encartele, Inc.
4/27/06 Date
Subscribed and sworn before me this <u>27</u> day of <u>April</u> , 2006.
(NOTARY FUBLIC) My Commission expires on: 7/30/08
GENERAL NOTARY - State of Nebraska

# Encartele, Inc.

# EXHIBIT I

Articles of Incorporation

Certificate of Authority to Transact Business in Missouri



# ARTICLES OF INCORPORATION

OF

# ENCARTELE, INC.

The undersigned, a natural person over mineteen years of age, as incorporator under the Nebraska Business Corporation Act, adopts the following Articles of Incorporation:

# ARTICLE I

The name of the corporation is ENCARTELE, INC.

#### ARTICLE II

The corporation is of perpetual duration.

#### ARTICLE III

The purposes for which the corporation is organized are;

- (a) To operate a telephone business and to engage in any other business activity authorized by the Nebraska Business Corporation Act.
- (b) To acquire, utilize, and dispose of real property or any interest therein situated anywhere.
- (c) To acquire, utilize, and dispose of personal property of all types.
- (d) To acquire, utilize, and dispose of capital stock, bonds, securities, or evidence of indebtedness of this or any other corporation, domestic or foreign, and undertake or assume obligations of any person, firm or corporation.
- (e) To do all things necessary to directly or indirectly promote the interests of the corporation and to enhance the value of its properties.
- (f) The above objects and purposes shall, except as otherwise specifically expressed, not be limited or restricted by any

S

other clause or provision of these Articles, but each shall be regarded as independent objects and purposes.

# ARTICLE IV

The corporation shall have all powers and rights conferred by the Nabraska Business Corporation Act and any enlargement conferred by subsequent legislative act and shall have all powers and rights, not otherwise denied corporations by the laws of Nebraska, as necessary or suitable to attainment of its purposes.

#### ARTICLE V

The aggregate number of shares the corporation has authority to issue is Ten Thousand (10,000) shares of common stock of One Dollar (\$1.00) par value for total authorized capital stock of Ten Thousand Dollars (\$10,000.00).

# ARTICLE VI

The address of the initial registered office of the corporation is 317 American National Building, 8990 West Dodge Road, Omaha, Nebraska 68114, and its initial registered agent at such address is Joseph C. Byam.

#### ARTICLE VII

The name and address of the incorporator is: Joseph C. Byam 317 American National Building 8990 West Dodge Road Omaha, NE 68114

DATED: September 29, 2004

oseph Cl Byam

317 American National Building

8990 West Dodge Road

Omaha, NB 58114

INCORPORATOR

STATE OF MISSOURI



Robin Carnahan Secretary of State CERTIFICATE OF AUTHORITY

WHEREAS,

ENCARTELE, INC.

using in Missouri the name

ENCARTELE, INC. F00722774

has complied with the General and Business Corporation Law which governs Foreign Corporations; by filing in the office of the Secretary of State of Missouri authenticated evidence of its incorporation and good standing under the Laws of the State of Nebraska.

NOW, THEREFORE, I, ROBIN CARNAHAN, Secretary of State of the State of Missouri, do hereby certify that said corporation is from this date duly authorized to transact business in this State, and is entitled to all rights and privileges granted to Foreign Corporations under the General and Business Corporation Law of Missouri.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 6th day of March, 2006.







# State of Missouri Robin Carnahan, Secretary of State

Corporations Division P.O. Box 778 / 600 W. Main Street, Rm 322 Jefferson City, MO 65102

File Number: 200606823213 F00722774 Date Filed: 03/06/2006 Robin Carnahan Secretary of State

# **Application for Certificate of Authority** For a Foreign For-Profit Corporation (Submit with filing fee of \$155.00)

		(Suomit with Juing Jee of \$15	<i>j</i> .
1.	The corporation's name is Encartele, Inc.		
	and it is organized and existing under the law	Nebraska s of	
2.	The name it will use in Missouri is Encarte	le, Inc.	
3.	The date of its incorporation was September	r 30, 2004	and the period of its duration is perpetual
,	The date of its incorporation was	nonin/day/year	
4.	The address of its principal place of business		Omaha, NE 68102
		Address	City/State/Zip
•	The name and physical address of its registered Business Filings International, Inc. 120 S	ed agent and office in the South Central Avenue, S	State of Missouri is Suite 400 Clayton, MO 63105
	Name	Address	City/State/Zip
	The specific purpose(s) of its business in Mis-	souri are:	
	Inmate telephone services	•	•
•.	The name of its officers and directors and the	ir business addresses are	as follows:
fficers		Address	City/State/Zip
	President	2215 Harney Street	Omaha, NE 68102
	Vice PresidentScott Moreland	2215 Harney Street	t Omaha, NE 68102
	Secretary Nancy Clausen	9850 Nicholas S	St. Omaha, NE 681011
	Treasurer George W. Egermayer Ir.	9850 Nicholas	St. Omaha, NE 68114
oard o	of Directors		
	Director George W. Egermayer 3.	9850 Nichola	s St. Omaha, NE 68114
	Director Nancy Clausen	9850 Nicholas	St. Omaha NE 68114
	Director		
	Director Scott Moveland	2215 Harney St.	. Omaha, NE 68102
	Director Jeffrey M. Zindel	2215 Harney St	t. Omaha NE 68102
	Director Souther 11 Findel	- Invitation	`
	and address to return filed document:		State of Missouri Creation - General Rusins
Name:	Marjie Gargiulo s: 22/5 HARNEY ST		State of Missouri Creation - General Business - Foreign 3 Page(s)
	tate, and Zip Code: OND HA	- LOO 100	
			T0606613507
		•	T0603816667

8.	The effective date of this document is the date follows:	it is filed by the accretary of a	tate of Missouri, umess	you maloute a fatare core,
		t be more than 90 days after the filing	date in this office)	
In Affi (The u	irmation thereof, the facts stated above are true an indersigned understands that false statements mad	nd correct: le in this filing are subject to th	e penalties provided un	der Section 575.040, RSMo)
	Sley Mr. Zandil	Jeffrey W. Zindel	President	2/2/06
,	Must be an Officer of Chairman listed in #7, above	Printed Name	Title	Date
	Note: You must submit current original certific obtained from your Secretary of State or other	cate of good standing or certific authority that issues corporate	cate of existence with the charters.	is application. This may be

Encartele, Inc.

EXHIBIT II

Proposed Tariff

#### **MISSOURI**

# INTEREXCHANGE TELECOMMUNICATIONS TARIFF

OF

# ENCARTELE, INC.

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of intrastate interexchange telecommunications services provided by Encartele, Inc. ("Encartele") to inmates of correctional or confinement institutions within the State of Missouri. This tariff is on file with the Missouri Public Service Commission. Copies may be inspected during normal business hours at the Company's principal place of business. Encartele operates as a competitive telecommunications company within the State of Missouri.

Issued: May 1, 2006

Effective: June 14, 2006

Issued by:

G.W. Egermayer, Jr. Chairman, CEO Treasurer

9850 Nicholas Street, Suite 150

Omaha, NE 68114

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G.W. Egermayer, Jr. Chairman, CEO Treasurer 9850 Nicholas Street, Suite 150

# COMPETITIVE TELECOMMUNICATIONS COMPANY WAIVERS

Encartele, Inc. is classified as a competitive telecommunications company in Missouri for which the following statutory and regulatory requirements are waived:

4 CSR 240-10.020	-	Depreciation fund income
4 CSR240-30.040	_	Uniform system of accounts
	ı	
Section 392.210.2		Uniform System of Accounts
Section 392.240.1	-	Just and Reasonable rates
Section 392.270	-	Ascertain Property values
Section 392.280	-	Depreciation Accounts
Section 392.290	-	Issuance of securities
Section 392.300.2	-	Acquisition of Stocks
Section 392.310	-	Issuance of stock an debt
Section 392.320	-	Stock dividend payments
Section 392.330	-	Issuance of securities, debt and notes
Section 392.340		Reorganizations

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# **SYMBOLS**

The following are the only symbols used for the purposes indicated below:

- (C) To signify changed regulation.
- **(D)** To signify discontinued rate or regulation.
- (I) To signify increased rates.
- (M) To signify material relocated from one page to another without change.
- (N) To signify new rate, regulation, or text.
- (R) To signify reduced rate.
- (T) To signify a change in text, but no change in rate or regulation.

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#### TARIFF FORMAT

- A. Page Numbering Page numbers appear in the upper right corner of the page. Pages are numbered sequentially, however, when a new page is added between pages already in effect, a decimal is added. For example, a new page added between pages 14 and 15 would be 14.1.
- B. Page Revision Numbers Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current page version on file with the Commission. For example, the 4<sup>th</sup> Revised Page 14 cancels the 3<sup>rd</sup> Revised Page 14. Consult the Check Sheet for the sheet currently in effect.
- C. Paragraph Numbering Sequence There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

2.

2.1.

2.1.1.

2.1.1.A.

2.1.1.A.1.

2.1.1.A.1.(a).

2.1.1.A.1.(a).I.

2.1.1.A.1.(a).I.(i).

2.1.1.A.1.(a).I.(i).(1).

# APPLICATION OF TARIFF

This tariff contains the regulations and rates applicable to the provision of intrastate resale common carrier communications and automated operator services by Encartele, Inc. for use by inmates in correctional institutions within the State of Missouri.

Issued: May 1, 2006

Effective: June 14, 2006

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Omaha, NE 68114

#### SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

**Access Line** - An arrangement which connects the Subscriber's location to a Company switching center or designated point of presence.

**Automated Collect Call** - Calls billed to the called party that are completed through an automated call processing system. The automated system prompts the call originator and called party. The called party must accept charges for the call and is responsible for payment.

Customer or End User - The person, firm, corporation or other entity which uses the Company's service and is responsible for payment of charges and compliance with the Company's tariff.

Company or Carrier - Encartele, Inc., unless otherwise clearly indicated by the context.

Commission - The Missouri Public Service Commission.

Correctional or Confinement Institutions - Used throughout this tariff to refer to any type of confinement facility, including prisons, jails, work farms, detention centers or other facilities used for penalty or confinement purposes.

Encartele - Used throughout this tariff to mean Encartele, Inc., the issuer of this tariff.

Inmates - The jailed or confined population of correctional or confinement institutions.

LEC - Local Exchange Company.

**Subscriber -** The correctional institution which orders or uses the Company's service and is responsible for compliance with tariff regulations. The Subscriber enters into an agreement with the Company for the provision of collect-only automated operator assisted telecommunications services for use by inmates.

Issued: May 1, 2006

Effective: June 14, 2006

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#### **SECTION 2 - RULES AND REGULATIONS**

# 2.1 Undertaking of the Company

The Company's services and facilities are furnished for communications originating at correctional or confinement institutions within the State of Missouri. The terms of this tariff apply to the Company's intrastate calls.

The Company provides for the installation, operation, and maintenance of the communications services provided herein in accordance with the terms and conditions set forth under this tariff. The Company may act as the Subscriber's agent for ordering access connection facilities provided by other carriers or entities, when authorized by the Customer, to allow connection of a Subscriber's location to the Company's services. The Customer shall be responsible for all charges due for such service arrangement.

The Company's services and facilities are provided on a monthly basis unless otherwise provided, and are available twenty-four hours per day, seven days per week subject to restrictions imposed by the administration of the institution.

#### 2.2 Limitations

- 2.2.1 The Company provides calling services to inmates of confinement/correctional institutions.
- 2.2.2 Service is offered subject to the availability of the necessary facilities or equipment, and subject to the provisions of this tariff.
- 2.2.3 The Company reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the Customer is using service in violation of provisions of this tariff, or in violation of the law.
- 2.2.4 The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.
- 2.2.5 All facilities provided under this tariff are directly or indirectly controlled by the Company and the Subscriber may not transfer or assign the use of service or facilities without the express written consent of the Company.
- 2.2.6 Service may otherwise be limited at the request of the institution's administration or by rules of the Commission to decrease fraud and maintain security and control over the inmate population.

Issued: May 1, 2006

Effective: June 14, 2006

Issued by:

G.W. Egermayer, Jr. Chairman, CEO Treasurer

#### 2.3 Use

Services provided under this tariff may be used for any lawful purpose for which the service is technically suited, limited to the provisions of this tariff.

# 2.4 Liabilities of the Company

- 2.4.1 The Company's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in transmission which occur in the course of furnishing service or facilities, in no event shall exceed an amount equivalent to the proportionate charge to the Customer for the period during which the faults in transmission occur.
- 2.4.2 The Company shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage), for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.
- 2.4.3 The Company shall not be liable for, and shall be fully indemnified and held harmless by the Subscriber or Customer against any claim or loss, expense, or damage (including indirect, special or consequential damage) for defamation, libel, slander, invasion, infringement of copy-right or patent, unauthorized use of any trademark, trade name or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data, information, or other content revealed to, transmitted, or used by the Company under this tariff; or for any act or omission of the Customer or Subscriber; or for any personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use or removal of equipment or wiring provided by the Company, if not directly caused by negligence of the Company.
- 2.4.4 The Company shall not be liable for any defacement of or damages to the premises of a Customer or Subscriber resulting from the furnishing of service which is not the direct result of the Company's negligence.

Issued: May 1, 2006

Effective: June 14, 2006

#### 2.5 Deposits and Advance Payments

#### 2.5.1 Deposits

The Company does not normally require deposits. However the company reserves the right to collect a deposit from customers whose credit history is unacceptable or unknown to the Company. Deposits, if collected, will be collected and maintained in accordance with Commission rules.

For services provided to inmates of confinement facilities, the Company may require a deposit from billed parties for charges which exceed a maximum credit amount predetermined by the Company based on the Customer's credit worthiness. The Customer may exceed this predetermined credit amount by first paying a deposit to the Company in an amount equal to the amount of additional credit authorization requested by the Customer.

#### 2.5.2 Advance Payments

The Company does not normally require advance payments for service. However, for Customers whom the Company determines an advance payment is necessary, the Company reserves the right to collect an amount not to exceed one (1) month's estimated charges as an advance payment for service. This will be applied against the next month's charges and a new advance payment may be collected for the next month, if necessary.

Issued: May 1, 2006 Effective: June 14, 2006

#### 2.6 Taxes

All state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates.

#### 2.6.1 Public Telephone Surcharge

In order to recover the Company's expenses to comply with the FCC's pay telephone compensation plan effective on October 7, 1997 (FCC 97-371), an undiscountable per call charge is applicable to all interstate, intrastate and international calls that originate from any domestic pay telephone used to access the Company's services. This surcharge, which is in addition to standard tariffed usage charges and any applicable service charges and surcharges associated with the Company's service, applies for the use of the instrument used to access the Company's service and is unrelated to the service accessed from the pay telephone.

Pay telephones include coin-operated and coinless phones owned by local telephone companies, independent companies and other interexchange carriers. The Public Pay Telephone Surcharge applies to the initial completed call and any re-originated call (i.e., using the "#" symbol).

Whenever possible, the Public Pay Telephone Surcharge will appear on the same invoice containing the usage charges for the surcharged call. In cases where proper pay telephone coding digits are not transmitted to the Company prior to completion of a call, the Public Pay Telephone Surcharge may be billed on a subsequent invoice after the Company has obtained information from a carrier that the originating station is an eligible pay telephone.

The Public Pay Telephone Surcharge does not apply to calls placed from pay telephones at which the Customer pays for service by inserting coins during the progress of the call.

Intra/InterLATA Rate per Call

\$0.56

Issued: May 1, 2006

Effective: June 14, 2006

Issued by:

# 2.7 Terminal Equipment

Company-provided facilities and service may be used with or terminated in Company- or Subscriber -provided terminal equipment or communications systems, such as a telephone set, PBX or key system. Such terminal equipment shall be furnished and maintained under contract between the Company and the Subscriber. When such terminal equipment is used, the equipment shall comply with the generally accepted minimum protective criteria standards of the telecommunications industry as endorsed by the Federal Communications Commission.

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# 2.8 Payment for Service

#### 2.8.1 Payment for Service

The Customer is responsible for payment of all charges for services and equipment furnished to the Customer or to an end user of the Customer by the Company. All charges due by the Customer are payable to the Company or to any agency duly authorized to receive such payments (such as a local exchange company).

# 2.8.2 Disputed Charges

Charges billed directly by the Company are due upon receipt. Amounts not paid within 10 days of the invoice will be considered past due. For charges billed directly by the Company, notice from the Customer of a dispute as to charges must be received in writing by the Company within thirty (30) days after the date of the invoice. Otherwise, all charges will be considered correct and binding.

For charges billed through the Customer's local exchange carrier, notice from the Customer of disputed charges must be received in writing by the Company within ninety (90) days after the date of the bill is issued. Otherwise, all charges will be considered correct and binding on the Customer.

The Company will promptly investigate and advise all billed parties as to its findings concerning disputed charges. Adjustments to Customer's bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate.

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# 2.8 Payment for Service, (Cont'd.)

#### 2.8.3 Validation of Credit

The Company reserves the right to validate the creditworthiness of Customers and billed parties through available verification procedures and to establish a maximum predetermined credit amount. Where a requested billing method cannot be validated or maximum credit amount established, the Company may refuse to provide service.

Services provided by the Company are available to immates of confinement facilities in accordance with facility-authorized programs. The Company may request that the confinement facility adopt, as part of its program, terms that enable the Company to collect the charges for all immate calls, including without limitation, the blocking of calls by the Company to certain telephone numbers when the amount charged to such a telephone number exceeds a predetermined amount or becomes past due.

# 2.8.4 Return Check Charge

A return check charge of \$25.00 will be assessed for checks returned for insufficient funds.

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#### 2.9 Interconnection

Service furnished by the Company may be connected with the services or facilities of other carriers. Such service or facilities, if used, are provided under the terms, rates and conditions of the other carrier. The Customer is responsible for all charges billed by other carriers for use in connection with the Company's service.

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#### 2.10 Refusal or Discontinuance by Company

- **2.10.1** The Company may refuse or discontinue service with proper notice to the Customer or Subscriber for any of the following reasons:
  - **A.** For failure of the Customer to pay a bill for service when it is due.
  - **B.** For failure of the Customer or Subscriber to make proper application for service.
  - C. For Customer's or Subscriber's violation of any of the Company's rules on file with the Commission.
  - **D.** For failure of the Subscriber to provide the Company reasonable access to its equipment and property.
  - **E.** For Subscriber's breach of the contract for service between the Company and the Subscriber.
  - F. For a failure of the Subscriber to furnish such service, equipment, and/or rights-of-way necessary to serve said Subscriber as shall have been specified by the Company as a condition of obtaining service.
  - **G.** When necessary for the Company to comply with any order or request of any governmental authority having jurisdiction.
- **2.10.2** The Company may refuse or discontinue service without notice to the Customer or Subscriber for any of the following reasons:
  - **A.** In the event of tampering with the Company's equipment.
  - **B.** In the event of a condition determined to be hazardous to the Customer or Subscriber, to other Customers of the Company, to the Company's equipment, the public, or to employees of the Company.
  - C. In the event of a Customer's or Subscriber's use of equipment in such a manner as to adversely affect the Company's equipment or the Company's service to others.
  - **D.** In the event of fraudulent use of the service.

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# 2.11 Inspection, Testing and Adjustment

Upon reasonable notice, the facilities provided by the Company shall be made available to the Company for tests and adjustments as may be deemed necessary by the Company for maintenance.

#### 2.12 Call Restrictions

Calling capabilities may be restricted by the administration of the correctional or confinement institutions. The following types of calls will be blocked: directory assistance, 0-, 700, 800, 900, 976, 950, 10XXX, 1+ sent paid, third number billed, credit card and local direct. The institution may block calls to specific telephone numbers and may limit calling service to pre-approved telephone numbers only. Call duration may be limited by the institution.

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#### SECTION 3 -DESCRIPTION OF SERVICE AND RATES

#### 3.1 General

Service is offered to inmates of correctional or confinement facilities for outward-only calling. Collect calls may be billed to residential or business lines. Billing information will be validated.

# 3.2 Timing of Calls

- 3.2.1 Long distance usage charges are based on the actual usage of the Company's network. Timing of a call begins when the called party accepts the charges for the call. Positive response for acceptance of a call is required. A call will be terminated within five (5) seconds from the last message given if no positive response is received.
- **3.2.2** Chargeable time for a call ends upon disconnection by either party.
- 3.2.3 The minimum call duration and initial period for billing purposes is one minute.
- **3.2.4** Unless otherwise specified in this tariff, for billing purposes usage is measured and rounded to the next higher full minute.
- 3.2.5 No charges apply for incomplete calls or for calls to called parties who do not accept the charges for the call. The Company will terminate a call if the called party does not accept responsibility for the charges. If a Customer believes he or she has been incorrectly billed for an incomplete call, the Company will, upon notification, investigate the circumstances of the call and issue a credit when appropriate.

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# SECTION 3 -DESCRIPTION OF SERVICE AND RATES, (CONTD.)

#### 3.3 Institutional Automated Collect Operator Service

Encartele, Inc. provides Institutional Automated Collect Operator Service to inmates of confinement facilities. Service may be limited by the administrators of the institutions as to availability, call duration or calling scope. Calls are billed to the Called Party. The Called Party must actively accept charges for the call. A per-call service charge applies to each call.

Institutional automated collect operator service allows inmates to make collect calls to terminating locations anywhere within in the state. An automated system prompts the caller and the called party through user - friendly instructions. The called party must accept responsibility for payment of the charges by dialing the designated digit for acceptance. If a call is not accepted within five (5) seconds of the automated voice recording prompt, the automated recording is replayed a second time. If an acceptance digit is not received five (5) seconds after the second recording is completed, the call is terminated by Encartele's system.

Use of the automated collect calling service is subject to the rules and regulations of the Commission and the institution's administrative restrictions.

# 3.3.1 Classes of Calls

Automated Collect Station Calls: are calls which are placed by an Inmate who dials all of the digits required to route the call and who follows the Encartele system prompts, enabling the Called Party to accept the charges for the call. If the Called Party does not accept the call, the call is terminated and no billing applies

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# SECTION 3 -DESCRIPTION OF SERVICE AND RATES, (CONTD.)

- 3.3 Institutional Automated Collect Operator Service, (Cont'd.)
  - 3.3.2 Institutional Automated Collect Operator Service Rates and Charges
    - A. Institutional Collect Local Calls
      - 1. Local Usage

Rate Per Call:

\$0.50

2. Local Per Call Service Charges

Operator Charge:

\$2.50

- B. Institutional Collect IntraLATA Calls
  - 1. IntraLATA Usage

Rate Per Minute:

\$0.40

2. IntraLATA Per Call Service Charges

Operator Charge:

\$3.00

- C. Institutional Collect InterLATA Calls
  - 1. InterLATA Usage

Rate Per Minute:

\$0.50

2. InterLATA Per Call Service Charges

Operator Charge

\$3.00

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